

CHAPTER NO. 621

SENATE BILL NO. 3776

By Henry

Substituted for: House Bill No. 3743

By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Section 67-5-201, relative to property taxation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-5-201, is amended by deleting subsection (b)(1) in its entirety and by substituting instead the following:

In the event the ownership of real property which has heretofore been subject to assessment and taxation is conveyed or transferred to a person, firm or corporation which is exempt from property assessment and taxation and the real property is used for purposes which would render the status of the property as exempt from assessment and taxation under §§ 67-5-203, 67-5-204, 67-5-207, 67-5-208, and 67-5-211 - 67-5-217, the new owner of such property shall not be liable for the real property taxes thereon from the date of transfer and change of use from a nonexempt ownership and use to an exempt ownership and use to the end of the taxable year, notwithstanding the status of the property as of the assessment date of January 1 of such year.

SECTION 2. Tennessee Code Annotated, Section 67-5-201, is amended by deleting the following words from subsection (b)(4), wherever they appear:

or lessor

lease

lease or otherwise

or lessee


or lessor's

or lease

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 24, 2006


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 5th day of May 2006


PHIL BREDESEN, GOVERNOR